

## School Finance Advisory Committee Meeting

### Monday, February 12, 2007

Subject / Name	Issue	Suggestions / Resolution
<b>Minutes Review</b>	George Zigler noted that he should be removed from the Education Attendance Legislation subcommittee.	
<b>Education Attendance Legislation</b>	Jill and Ken reported the summary on what the subcommittee discovered. The subcommittee is at a stand still. Bonnie brought up the removal of the excessive absence and absence approval.	<ul style="list-style-type: none"> <li>Bonnie will follow up and get a dollar figure on removing the absence approval.</li> <li>The committee decided to continue the subcommittee and proceed with removal of the absence approval process.</li> <li>Pat and Rita will send an estimate of their cost for absence approval process.</li> </ul>
<b>Excused vs. Unexcused</b>	Jill reported that a policy process is now in place and this policy will be the first addressed. The SFAC asked to add one exception of a suspension be considered an excused absence. Phil asked that this policy be bumped to the top of the SF policy team list.	<ul style="list-style-type: none"> <li>SF Policy team to draft policy and procedure for Excused absence.</li> </ul>
<b>12 vs. 10 APOR Payments</b>	Bonnie was in contact with one of the TANs providers for Maricopa County districts. SF pays about \$250 million in August and \$200 million in November in cash advances. Treasurer's office gets about 4 – 5 % interest on the monies sitting in the coffers for August and November. The question is "should the money go to the local taxpayer or to the state coffers?" Bonnie's summary is that the state offers the cash advance as an option rather than make 12 payments to districts.	<ul style="list-style-type: none"> <li>Bonnie will calculate how much the state gains in interest from not making district payments in August and November.</li> </ul>
<b>December Budget Revision – technical correction of &lt;\$1000</b>	Lyle was not here to report. Bonnie says she knows it went upstairs to Art Harding. This item will be postponed until next SFAC meeting.	<ul style="list-style-type: none"> <li>If there is anything urgent on it, Jill will ask Lyle and communicate it to the committee.</li> <li>Phil will check to see where this is from upstairs.</li> </ul>
<b>Spring Cleaning</b>	Results of April mid-month will be similar to the year end recalculation. Therefore, giving the LEAs time to review the most accurate data possibly available. Rose would like to know what business rules are being implemented into SAIS after 100 <sup>th</sup> day.	<ul style="list-style-type: none"> <li>Teddy asked that Jill include the Spring Cleaning handout in the distribution of the minutes.</li> <li>Teddy will look into what business rules are being implemented into SAIS after 100<sup>th</sup> day and report to the SFAC.</li> </ul>

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<b>School Finance Beacon</b>	<p>Phil spoke generally about his past articles referring to collaboration between LEAs and ADE. He stated that we need to be speaking the same language, so we need to agree on what is success and what are the indicators of success. Phil asked the subcommittee to think about this. Rita and Tina agreed to be on this subcommittee.</p> <p>Phil also introduced Yun Zhou, School Finance Research Analyst. He explained that she will take the models such as Education Trust, Goldwater Trust, etc. and deconstruct them so we can understand how we are being measured. She will also find out what indicators are being used and how are they assessing a value. Then the factors will fit in to one of three areas:</p> <ol style="list-style-type: none"> <li>1. The model is bad, it doesn't tell us anything and write a white paper to address issues. A white paper explains the results, conclusions, or construction resulting from some organized committee or research collaboration or design and development effort.</li> <li>2. We are doing ok and model is ok, but data is bad. Put together project to address it.</li> <li>3. Our performance is bad and we need to do something about it. Put together project to address it.</li> </ol> <p>Phil asked for thoughts from the committee. Art Heikkila asked if Phil is headed toward demographics as well as dollars. Phil confirmed that this is the case.</p>	<ul style="list-style-type: none"> <li>• Phil will create a presentation for the next meeting and call for the opening of a subcommittee.</li> </ul>
<b>Call to the Audience</b>	<p><b>Prop 301</b> – The SFAC requested that SF post the carry forward to next year's index. <b>Check with Bonnie on this.</b></p> <p><b>School Facilities Board Letter</b> – Karen asked if the SFAC approved it. Jill stated that about ten positive responses were received and no negative responses. Everyone has had time to respond so she can send the letter to John with a few minor corrections that Jill will send to her.</p> <p><b>Record Retention for Permanent Student Records</b> – Karen would like to know how to get the Records Retention department to recognize that electronic media is a form of record retention instead of only paper and microfiche.</p> <p><b>Audit</b> - Art notified that all his auditors are currently working on the Cost Study and ADM audits will resume in June. Instructional Program/Instructional Hours Policy is on the SF Website under policies – 7<sup>th</sup> and 8<sup>th</sup> grades are of most concern to the ADE audit team.</p>	<ul style="list-style-type: none"> <li>• Jill will invite Records Retention representative to next meeting.</li> </ul>

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<b>Next Meeting</b>	<b>Monday, April 9, 2007</b>	<b>Arizona State Capitol Executive Tower Building 2nd Floor Conference Room 1700 West Washington Phoenix, AZ 85007</b>
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<b>Action Items / Commitments</b>	
<b>Jill Heikkila</b>	<ul style="list-style-type: none"> <li>• Teddy asked that Jill include the Spring Cleaning handout in the distribution of the minutes.</li> <li>• Jill will invite Records Retention representative to next meeting.</li> <li>• If there is anything urgent on \$1000 budget revision correction, Jill will ask Lyle and communicate it to the committee.</li> </ul>
<b>Teddy Dumlao</b>	<ul style="list-style-type: none"> <li>• Look into what business rules are being implemented into SAIS after 100<sup>th</sup> day and report to the SFAC.</li> <li>• Prepare Spring Cleaning handout to be sent with February minutes to SFAC.</li> </ul>
<b>Phil Williams</b>	<ul style="list-style-type: none"> <li>• Check to see where \$1000 budget limit is with Art Harding.</li> <li>• Create a presentation for the next meeting and call for the opening of a subcommittee</li> </ul>
<b>Bonnie Betz</b>	<ul style="list-style-type: none"> <li>• Follow up and get a dollar figure on removing the absence approval.</li> <li>• Calculate how much the state gains in interest from not making district payments in August and November.</li> </ul>
<b>Lyle Friesen</b>	<ul style="list-style-type: none"> <li>• Lyle will try to determine what would be equivalent to \$1000 today since the legislation with the \$1000 was written over 20 years ago.</li> <li>• Lyle will pass this information on to Chuck Essigs.</li> <li>• Lyle will also recommend to Art Harding.</li> </ul>
<b>Education Attendance Legislation Subcommittee</b>	<ul style="list-style-type: none"> <li>• The committee decided to continue the subcommittee and proceed with removal of the absence approval process.</li> </ul>
<b>SF Policy Team</b>	<ul style="list-style-type: none"> <li>• SF Policy team to draft policy and procedure for Excused absence.</li> </ul>
<b>Rita Leyva and Pat Beatty</b>	<ul style="list-style-type: none"> <li>• Send an estimate of their cost for absence approval process to Jill.</li> </ul>

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### Members in Attendance

Members			ADE Staff
Gary Bae	Ken Hicks	Linda Munk	Bonnie Betz
Patricia Beatty	Michele Kaye	Tina Norton	Bob Dohm
Kent DeYoung	Rita Leyva	Kerri Porter	Teddy Dumlao
Lori Garvey	Scott Little	Kevin Price	Dolores Gerritse
Angela Germinaro	Lucia Marrufo	Rose Whelihan	Art Heikkila
Mary Gifford	Karen Mejia	George Zeigler	Jill Heikkila
Karen L. Havird	Montie Morris		Phil Williams
			Yun Zhou
Special Guest: Senator John Huppenthal (Majority Whip)			

### Acronyms

AASBO	Arizona Association of School Business Officials	M&O	Maintenance and Operation Fund
ADE	Arizona Department of Education	NAVIT	Northern Arizona Vocation Institute of Technology
ADM	Average Daily Membership	RTC	Regional Training Center
AFR	Annual Financial Reports	SAN	Storage Area Network
AG	Auditor General	SDAR	Student Detail Activity Report
CCD	Common Core Data	SDER	School District Employee Report
CEC	Certificate of Education Convenience	SF	School Finance
CSF	Classroom Site Fund	SFAC	School Finance Advisory Committee
EVIT	East Valley Institute of Technology	SFB	School Finance Board
IRR	Instructions for Required Reports	SMS	Student Management System
JTED	Joint Technological Education District	USFR	Uniform System of Financial Records
LEA	Local Education Agency		